THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI GHULAM NABI AZAD): (a) and (b) Yes, Sir. The Gov-- ernment of Karnataka had asked for increase in the moodily allocation of rice from 50, 000 tonnes to 60, 000 lonnes;

(c) and (d) The allocation has been raised to 55, 000 tonnes for the month May 1987.

Financial assistance to sugar mills in Karnataka

860. SHRI D, B. CHANDRE GOWDA: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to, state:

<a) whether the State government of Karoataka had recently urged the Central Government to provide financial assistance from the Central Sugar Development Fund Scheme for the sugar factories in Karntataka;

, (b) ifso, the amount of assistance the Central Government "had provided to the State Government during the last 3 years;

(c) whether it is a fact that the Ganga-vathi sugar Limited at Raichur in Karna-taka is lying closed for the last three years due to financial crisis; -and

(d) if so' what steps Government pro pose to provide assistance. and restart the iSaid mill?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI GHULAM NABI AZAD): (a) and (b) Applications from 8, sugar factories in Karnaiaka' for financial assistance from Sugar Development Fund for development of sugarcane were rece'v-«d. On examination, these were found incomplete in regard to material information required in support of the Schemes proposed. AlJ, the sugar factories were,. therefore, advised to resubmit their applications aloagwith full details/information. No application for financial assistance for modernisatj'qn/rehabilitation of plant and machinery has been received from sugar factories Jn Karmtaka. As. such no financial assistance could be sanctioned tb sugar factories In TCamataka.

(e) and <d) According to the information. available with the Central Government, the Gangavathi Sugars Limited at Raichur did not commence crushing operations during 1984-85 and 1985-86 seasons, and also- till date during the 1986-87 seasons. It is primarily fdr the management of the sugar factory to ensure ijs.. efficient running. However, the sugar mills can obtain loans from Sugar Development Fund administered by the Central Government at concessional rate of interest towards meeting shortfall in promoters contribution for modernisation/rehabilitation of plant . -• and machinery and for development of sugarcane in its command area, subject to the consideration qf^the completeness and correctness of details furnished and* also-the satisfaction of priorities *aud* guidelines.

Working of co-operative wcfettas

861. SHRI PAWAN KUMAR BANSAL: Will*the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact mat Govern ment had some time back set up'a Com mittee, to go into the question of. working of the co-operative societies in the coun try;

(b) if so, what were the terms of refe rence and what ar6 the findings/recom mendations thereon; and

(c) what follow up action is under Gov ernment's consideration at present?

THE MINISTER OF AGRICULTURE (SHRi G. S. DHILLON):, (a) and (b) No, Sir. However, a 'Committee on Cooperative Law for DemocratiSation and Pro-fessionalisation of Management in Coope- ratives' was constituted on 27th September, 1985 to examine the Cooperative Acts/Rules is the States and to make suitable recommendations to aetivise > democratic process coupled with promotion of professional management of the cooperatives. The Committee ias submitted its Report on tOth April, 1987.

Another. 'Committee on the Structure andRole -of National Cooperative Societies* was set up OH ISthTAprHi 1986. »(i) to assess the performance of the. national level cooperative federations; (ii) to exa- '

mine the membership of the national level federations, composition of their Board of Management and broad administrative arrangementg for providing services to the constituents; and (iii) to indicate the directions in which re-organisation and re-orientation are' necessary in respect of existing federations and those that ' may be established hereinafter in the context of emerging heeds and trends and role of the cooperatives in overall development, particularly in rural areas. The Committee has submitted its Report on 26th' March, 1987. The broad reoOmjhendations; of the said two Committees are given in the a trachea" statement I and II respectively *(See* below).

(c) The report will be examined in Consultation with the State Governments arid . national level federations.

Statement-I

Broad recommendations of the Commtit-tee on Cooperative law for Democratises ~ tion and ProfeSikmalisatioh of Management in Cooperatives

The Committee on Cooperative Law for Democratisation and Prbfes*eonaBsa-tion of Management in Cooperatives s*t. up by the Ministry of Agriculture to examine various States. Cooperative Societies Acts/Rules aflcf suggest guidelines for legislative action to activise the derhOCta-tic process and promote professional management in the cooperatives has recommended deletion of various "old provisions in the cooperative legislation in the States which had lost their relevance and, has suggested measures to confer corrfptete. autonomy on cooperatives in their opera-. fiohs.

The report which was submitted on 10th April, *1987* has recommended the deletion of certain provisions in the State Acts such as those relating to compulsory amendment of bye laws of a society* the power of the Registrar to'direct amalga mation or division of societies against the will of the members and the power of veto to the Government nominees On the bd'ards of societies. -

The Committee has also[1] recommended that the power ofthe State Government or the Registrar to rescind or annual re-solutions of the Board of Directors' of the Society. and the general power of issue of directives by the Government should be taken aw'ay.

The Committee felt that the power of supersession of the board of management of cooperatives has often been misused and recommended that this important power should be exercised sparingly and that too in consultation, with the federal I organisations. Whenever a board of mast-agement is superseded the reasons should be recorded in writing and the period of supersession should not exceed one year in aggregate with no power to extend the period.

Recommending depoliticisation of cooperatives, file Committee has said that holding of office by a Minister in cooperative societies should be ruled out in all circular stances. It has also suggested' that members of -Panchayat Raj institutions, local bodte», ^legislative assemblies and councils and Metttbers of Parliament elected or nouS-trated to hold offices in cooperatives should 15e respired to choose between the

The Committee has also recommended that the strength of Government nominees OH the boards of cooperatives to the context of State partnership should be limited to three of one-third of the total number of members whichever is less and that under no circumstances should the Government nominate cooperative or political leaders as their nominees.

With regard to professionalisation of management the Committee has suggested' several measures the important of them being demarcation of powers and function* of the Board and the chief executive.

The Committee has held the co -option of members on the Board to be undemocratic and has also recommended the deletion of the position of Vice-Chairman Which in its view is superfluous.

Statement-TI

Broad Recommendations, of the Committee on the Structure and Role of 'National : Cooperative Societies

The role of the national level cooperative federation should be complementary

to and not competitive with, the state federations.

After & detailed. assessment of the performance of fourteen national cooperative federations the Committee held the view that it would be fallacious to create the *national* level federations first and then to establilh the middle and other levels. The cooperative structure at tlte grassroot level and above has to be built up patiently and with people's participation. m

The wmplementary role of public sector organisations life National Coopera-" trve IJevelapment Corporation, National Dairy Development Board/Indian Dairy Corporation and NABARD *vis-a-vis* the national federations waatduly appreciated by the committee which has suggested that wherever feasiblle, a process could be initiated for transference of federal responsibility from a National corporate organisation to a national cooperative federation, as in the case of NDDB on fhe-sone Band and the National Cooperative Dairy ' Federation on the ther.

Stressing the need for professionalisation of cooperative management, the committee recommended that th£ National Council for Cooperative Training should be set up as a separate agency for cooperative train-, ing. Even the national federations ought la Play a more active role in providing professional training within their respective sectors,

The Committee affirmed the view that in all national level federations, only state level cooperatives' should be members. Further, it suggested -that strength of the board of management of these federations should not exceed fifteen, including the chairman.

Highlighting' the need for depoliticisa-, tic*, the committee felt that 'the present situation demands more than ever'belore that some steps should be taken to delink the cooperative movement from active polities'. The committee has suggested that-the chairman should. have no executive powers.

Production of Steel

862. SHRI KAPIL VERMA: Will the Minister of STEEL AND MINESbe pleased to state:

(a) whether there is a shortfall, in the target of production of saleable steel by SAIL plants* in 1986-87, if so, what are the details thereof ind the reasons therefor; and

(b) what ar* tee highlights of 4he corporate plan framed, by SAILand what is the likely financial outlay thereof? "

THE MINISTER OF ENERGY AND THE MINISTER OF STEEL AND MINES (SHRrVASANT SATHE): (a) Except for Durgapur and IISCO, the other steel plants of SAIL were not able -to . achieve their saleable steel production- tar-. gets in 1986-87:

- (000* *Tonnes)*

Plants.	Target	Actual achievement	Percentage of target
Bhilai Steel Plant	2600	2150	83
Durgapur Steel Plant		751	103
Rour kela Steel Plant. -. -..		1140	93
Bokaro Steul Plant. . : . . .	2120	1744	*', 82
Indian Iron & Steel Companv Limited	. 525	526	100
		6312	87

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